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C O N F I D E N T I A L SECTION 01 OF 03 BAKU 000993

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TAGS: PREL PGOV PBTS ECON ETRD KDEM PHUM AM AJ

SUBJECT: AMBASSADOR'S INTRODUCTORY CALL ON PRESIDENTIAL

CHIEF OF STAFF RAMIZ MEHDIYEV

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Classified By: Ambassador Anne E. Derse, reasons 1.4 (b,d).

(C) Summary: During her July 7 introductory call on Presidential Chief of Staff Ramiz Mehdiyev, the Ambassador reviewed U.S. priorities for the bilateral relationship -global security, energy security, and political and economic reform -- emphasizing that continued reform is essential for Azerbaijan's long-term stability and prosperity. While affirming President Aliyev's commitment to democracy and Western integration, Mehdiyev made the case for gradual, evolutionary change, noting that Azerbaijan had begun its democratic development only ten years ago, and arguing that Azerbaijan's complex neighborhood and lingering Soviet mentality made rapid change very difficult. Mehdiyev also alleged that some in Azerbaijan's opposition receive support from Iran and "radical Turks." Mehdiyev made a plea for a stronger U.S. role within the Minsk Group but also lambasted the Co-Chairs' decision to publicize the core principles of a possible Nagorno-Karabakh peace deal. Mehdiyev said that publication of the principles would create "chaos" in Azerbaijan, while the core principles themselves -- if adopted -- would eliminate pressure on Armenia to find a solution for Nagorno-Karabakh within the framework of Azerbaijan's territorial integrity. End summary.

U.S. PRIORITIES

12. (C) The Ambassador paid an introductory call on Presidential Chief of Staff Ramiz Mehdiyev on July 7. Streviewed U.S. priorities for the bilateral relationship: cooperation in the Global War on Terror and strengthening regional security, increasing global energy security, and political and economic reform. The Ambassador noted that in Washington, President Aliyev had reaffirmed to President Bush his commitment to develop Azerbaijan as a modern, secular, market-oriented democracy, expressed his deep appreciation for U.S. assistance on political and economic reform and underscored his commitment to continue to work with the U.S. on Azerbaijan's democratic development. She said that she looked forward to working with Mehdiyev to continue that reform, particularly in the areas of election reform (including implementation of the OSCE/ODIHR election recommendations), media freedom, judicial reform, respect for human rights, and anti-corruption measures. The Ambassador said that U.S. Assistant Secretary for Democracy and Human Rights Lowenkron hoped to visit Azerbaijan soon, and would be eager to work with Mehdiyev on these issues as well. The Ambassador noted that Azerbaijan's quick accession to the WTO would support its broader reform agenda and strengthen the development of its non-energy sectors. The Ambassador told Mehdiyev that progress in all of these areas is essential for Azerbaijan's long-term stability, prosperity and independence.

MEHDIYEV'S PRIORITIES: STABILITY AND BALANCE

(C) Outlining Azerbaijan's "complicated and dangerous" neighborhood, Mehdiyev told the Ambassador that Azerbaijan sees the United States as its most important partner. As a young, independent nation, Mehdiyev continued, Azerbaijan pursues a foreign policy of balance, centered upon good relations with the United States. Mehdiyev painted a picture of a struggling nation that emerged unscathed from the chaos of the early 1990s due only to the leadership and vision of Heydar Aliyev. Democracy, he said, could only begin to emerge in Azerbaijan after Heydar Aliyev put down the "terrorist acts" that threatened both Aliyev and the nascent state of Azerbaijan. Mehdiyev said that he had worked with Heydar Aliyev in the 1970s, when he was the Communist Party leader of Azerbaijan; even then, Heydar Aliyev had pursued an "evolutionary" approach, never making a hasty decision. Now, as Azerbaijan continued to pursue Heydar Aliyev's strategic vision of integration with the West, Mehdiyev said that Azerbaijan also continues to pursue Heydar Aliyev's "step-by-step" approach to reform. Stability, Mehdiyev said, is the most important factor for democratic and economic development.

DEMOCRACY AND REFORM

 $\P4$. (C) Mehdiyev assured the Ambassador that Azerbaijan was committed to integration with the West, liberal democracy and economic liberalization. President Ilham Aliyev, he said, is

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a modern president with a vision of building a modern, democratic society. As such, Azerbaijan will continue working on all of the areas that the Ambassador outlined: judicial reform, economic reform, anti-corruption efforts, and religious tolerance. U.S. assistance in all of the areas, Mehdiyev said, is greatly appreciated and he hopes it will be continued.

- 15. (C) Mehdiyev said that Azerbaijan is working to draft new laws and consults closely with the Council of Europe and Organization for Security and Cooperation in Europe. Acknowledging that implementation and enforcement of these new laws often were problematic, Mehdiyev said that a new office to monitor implementation and enforcement of Presidential decrees and legislation had just been established in the President's office. Mehdiyev blamed the problems of implementation and enforcement on a lingering, pervasive Soviet mentality, a problem that could be solved only with time. Describing democracy as a "big, multi-faceted science," Mehdiyev told the Ambassador that he personally was reading "hundreds" of books by prominent political scientists, in order to understand the general principles of democracy. Democracy, he said, is not a unilateral concept; only by taking into account Azerbaijan's unique history and mentality will the Government be able to apply democratic principles.
- 16. (C) Mehdiyev also blamed election fraud on the lingering Soviet mind-set. Telling the Ambassador that he had been responsible for elections in Soviet times and was responsible for them now as well, Mehdiyev first said there had been no change in the general attitude regarding elections, but then said there had been "some" positive changes in the period 1995-2005. Mehdiyev acknowledged that Azerbaijan had been criticized for its treatment of the "radical opposition," but alleged that the "radical opposition" was under the influence

of nefarious foreign forces. Opposition Musavat Party, he said, had received funding from the Iranian Intelligence Services during Azerbaijan's 2003 Presidential election; he also alleged that the Popular Front Party continued to receive funding from "radical Turks." Mehdiyev said that Azerbaijan cannot have true democracy without an opposition, but argued that the opposition must be constructive. All political differences must be resolved within the electoral process, as Azerbaijan cannot afford to have a "destructive, radical opposition."

MINSK GROUP CORE PRINCIPLES

- 17. (C) Mehdiyev made a familiar plea for a greater U.S. role in solving the Nagorno-Karabakh problem. Russia, he said, had helped Armenia seize Azerbaijani territory and continues to support Armenia's position. Mehdiyev said he believes Russia's role within the Minsk Group is "not sincere," as Russia seeks only to maintain the status quo. For this reason, he said, Azerbaijan will be unable to solve the conflict without the assistance of the United States. In comparison with Russia, Mehdiyev said, the United States has a much more objective attitude toward Azerbaijan. For this reason, the U.S. is Azerbaijan's strategic partner, and Azerbaijan needs to link its future to the United States.
- 18. (C) Yet Mehdiyev lambasted the Minsk Group Co-Chairs (and particularly the U.S.) for violating the confidential basis of the negotiations. Mehdiyev said that both internal and external forces would use publication of the core principles to create chaos in Azerbaijan. The Azerbaijani people, he said, think the occupied territories should be returned "at any cost." Now, Mehdiyev continued, the Azerbaijani press is full of stories that Kelbajar and Lachin provinces will remain in Armenian hands until "the full independence" of Nagorno-Karabakh is established. When international officials make these kinds of statements, Mehdiyev said, it creates the impression that Azerbaijan is ready to surrender its territory. He added that the Azerbaijani press already is full of negative articles about President Aliyev that allege he already had agreed to the Co-Chairs' plan. We don't understand what the Co-Chairs are doing, Mehdiyev said, and we certainly do not acknowledge that it was done deliberately.
- 19. (C) Mehdiyev said he also was troubled by the Co-Chairs' assertion that all international organizations would support the two Presidents "if they could agree" on the core principles. First, Mehdiyev said, there already have been ten years of negotiations. Why do we need the Minsk Group,

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he asked, if the two Presidents could agree? Second,
Mehdiyev worries that the core principles -- if adopted -would eliminate pressure on Armenia to find a compromise for
Nagorno-Karabakh itself. Third, Mehdiyev said, the
Azerbaijani people and leadership will never tolerate the
transfer of one square meter to Armenia. For all of these
reasons, the Co-Chairs' decision to reveal the core
principles had put the objectivity of the entire peace
process into doubt. Azerbaijan is prepared to give
Nagorno-Karabakh the "highest state of self-determination"
but only within the parameters of Azerbaijan's territorial
integrity.
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